



PRESS RELEASE

Despite the abundance of natural resources, African countries have limited capabilities to respond to Covid-19 induced crisis

Covid-19 has provided definitive evidence that Africa's natural resources are not benefiting its citizenry

Accra, 24th March 2020 –The estimated annual losses from Illicit Financial Flows (IFFs) in Africa has ballooned to \$88.6 billion according to a report entitled [‘Tackling Illicit Financial Flows for Sustainable Development in Africa’](#) that was released by the United Nations Conference on Trade and Development (UNCTAD) in 2020. This report was released against the backdrop of the [Covid-19 pandemic which saw the finance gap for basic services like health and education that were previously underfunded further stretched.](#)

Prior to Covid-19, the attainment of the Sustainable Development Goals by 2030 was uncertain for many African countries. The pandemic worsened these developmental challenges with statistics indicating that due to Covid-19, [between 28-40 million people in Africa are expected to fall into extreme poverty, with 30 million people likely to lose their jobs.](#)

The paradox is that Africa, finds itself in this difficult position despite its abundance in natural resources. Specifically, it has been 10 years since the Alternative Mining Vision (AMV) was established, yet Africa does not seem to have figured out how to meaningfully benefit from its own resources.

As a result, the Stop the Bleeding (STB) Campaign, steered by six pan-African civil society organisations which seek to foster innovative approaches that leverage the influencing role of civil society at national, sub regional and international level, have decided to work together to address this concern. Given the economic prominence of extractives such as oil, gas, and minerals in Africa, it is high time that these resources be leveraged to mobilise the much-needed revenue to address Africa's immediate needs such as the procurement of vaccines, as well as the more long-term concerns of poverty and inequality. *"The development of Africa is highly dependent on the extent to which we mobilize resources domestically through efficient management of our natural resources"* expresses Benedict Doh, Ghana Integrity initiative Finance Manager.

Against this background, the STB consortium led by partners from West Africa and supported by Tax Justice Network Africa, will be meeting at the Alisa Hotel in Accra, Ghana on 23 and 24 March to assess progress on the domestication and implementation of the AMV and gain an understanding of regional and international developments affecting taxation of the extractives sector and their impact on Africa. About the conference, Chenai Mukumba, the Policy Research and Advocacy Manager has said: *"Given the significant contribution of extractives in IFFs, the STB Campaign is delighted to launch the multi stakeholder engagement that seeks to build on the work that is already done to curb IFFs out of the West Africa Region"*. The meeting will relaunch the campaign and call on governments and multinationals to stop the bleeding on revenue in Africa.

Contacts: Cynthia Umurungi, Communication Officer, Mail: cumurungi@taxjusticeafrica.net